

SENATE BILL No. 481

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-8-5.7; IC 27-13-9-5.

Synopsis: Uniform prescription drug information card. Requires the insurance commissioner to adopt rules that establish uniform requirements for prescription drug information cards or other technology issued by an insurer, a health maintenance organization, or certain other entities. Establishes criteria that must be incorporated into the rules.

Effective: July 1, 2001.

Johnson

January 22, 2001, read first time and referred to Committee on Health and Provider Services.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

SENATE BILL No. 481

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 27-8-5.7 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2001]:

4 **Chapter 5.7. Insurance Benefit Cards**

5 **Sec. 1. As used in this chapter, "accident and sickness insurance**
6 **policy" means an insurance policy that provides at least one (1) of**
7 **the types of insurance described in IC 27-1-5-1, Classes 1(b) and**
8 **2(a), and is issued on a group basis. The term does not include the**
9 **following:**

- 10 (1) **Accident only, credit, dental, vision, Medicare, Medicare**
11 **supplement, long term care, or disability income insurance.**
12 (2) **Coverage issued as a supplement to liability insurance.**
13 (3) **Automobile medical payment insurance.**
14 (4) **A specified disease policy.**
15 (5) **A limited benefit health insurance policy.**
16 (6) **A short term insurance plan that:**
17 (A) **may not be renewed; and**



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(B) has a duration of not more than six (6) months.

(7) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expense of the confinement.

(8) Worker's compensation or similar insurance.

(9) A student health insurance policy.

Sec. 2. As used in this chapter, "commissioner" means the insurance commissioner appointed under IC 27-1-1-2.

Sec. 3. As used in this chapter, "insured" means an individual who is entitled to coverage under an accident and sickness insurance policy.

Sec. 4. (a) This section applies to an insurer that:

(1) issues an accident and sickness insurance policy that provides coverage for prescription drugs or devices; and

(2) issues a card or other technology for claims processing.

This section also applies to a third party administrator for self-insured plans, a pharmacy benefit manager, or a health benefit plan administered by the state if the administrator, manager, or plan issues a card or other technology described in subdivision (2).

(b) The card or other technology issued by an insurer or another entity referred to in subsection (a) must contain uniform prescription drug information that complies with the requirements established under subsection (c).

(c) The commissioner shall adopt rules under IC 4-22-2 to establish uniform requirements for prescription drug information cards or other technology. The rules adopted under this subsection must require that prescription drug information cards or other technology meet the following criteria:

(1) Be in a format, and contain information fields approved by, the National Council for Prescription Drug Programs (NCPDP).

(2) Contain the following information:

(A) The identification number of the insured.

(B) The identification number of the payer.

(C) The copayment or cash discount amount of the insured.

(D) Other information required by the commissioner.

(d) The prescription drug information cards or other technology issued under this section may be used for health insurance coverage other than the coverage to which this chapter applies.

SECTION 2. IC 27-13-9-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 5. (a) This section applies to a health maintenance

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organization that provides coverage for prescription drugs or devices and issues a card or other technology for claims processing.

(b) The card or other technology issued by a health maintenance organization must contain uniform prescription drug information that complies with the requirements established under subsection (c).

(c) The commissioner shall adopt rules under IC 4-22-2 to establish uniform requirements for prescription drug information cards or other technology. The rules adopted under this subsection must require that prescription drug information cards or other technology meet the following criteria:

(1) Be in a format, and contain information fields approved by, the National Council for Prescription Drug Programs (NCPDP).

(2) Contain the following information:

(A) The identification number of the enrollee.

(B) The identification number of the payer.

(C) The copayment or cash discount amount of the enrollee.

(D) Other information required by the commissioner.

(d) The prescription drug information cards or other technology issued under this section may be used for health care service coverage other than the coverage to which this chapter applies.

SECTION 3. [EFFECTIVE JULY 1, 2001] (a) Notwithstanding IC 27-8-5.7 and IC 27-13-9-5, both as added by this act, an insurer or a health maintenance organization is not required to issue prescription drug information cards or other technology that meets the requirements established under IC 27-8-5.7 and IC 27-13-9-5, both as added by this act, until April 1, 2002.

(b) This SECTION expires April 1, 2002.

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